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SUBJECT: STATE TAXIS: A TEAMING, THIEVING MICROCOSM OF GOC
CORRUPTION

REF: HAVANA 8986

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11. (SBU) Summary: State taxi drivers are expected to hand over their earnings to the GOC but do everything possible to avoid it. They play various tricks on the meter, from turning off the ignition and coasting down the hills, to jimmying the odometer. The GOC retaliates by installing sensors in the seats that automatically start the meter running when a passenger sits down. Various other sharks prey on the proceeds of taxi drivers, including GOC inspectors, mechanics and police officers. Some truly "revolutionary" cabbies refrain - or pretend to refrain - from dipping into the pot, but most have become skilled thieves. Passengers collude in their efforts, preferring to put money into the hands of an individual rather than the bloated and unresponsive state. End Summary.

Fares Trickle Up

12. (SBU) There are several modes of taxi-like transportation in Havana, but hard currency state taxis are the most tightly regulated. These state taxis, which charge fares in Convertible Cuban Pesos (CUCs, or "kooks" - roughly equivalent to USD), earn a healthy income for the GOC. At the same time, large amounts of cash cross the hands of an unsupervised Cuban all day long - a recipe for theft, given the culture of corruption among state employees (ref A). By the time the cash filters through the various levels of cabbies, accountants, and managers, it is unlikely the Central Bank recoups more than a third of the fares taxi drivers collect. The relationship, therefore, between high-level GOC officials and low-level GOC taxi drivers is one of constant "Measure, Counter Measure," as the state tries to recoup cash and taxi drivers come up with ingenious ways to get around the controls.

Introducing Panataxi

13. (SBU) With several hundred drivers, Panataxi is the largest hard currency state taxi company in Havana. Panataxi serves a mix of clientele, but over half are Cubans. (The other hard currency taxi companies, such as TaxiOK and Transtur work out of the luxury hotels and largely serve foreigners.) Several dozen unwitting Panataxi drivers contributed to this report.

¶4. (SBU) Panataxi drivers work 12 - 18 hour shifts, every other day. They earn typical state salaries - the peso equivalent of 12 USD per month - but their real income comes from tips. One cabby said he averaged 5 CUCs in tips per day (roughly 5 USD). Another claimed to earn "3 on a bad day, 10 on a good day." At this rate, state taxi drivers can expect at least 70 CUCs per month on top of their negligible state salary, putting them in a privileged position financially compared to other Cubans in state jobs. One Panataxi driver dreamed of quitting and becoming a gym teacher, but couldn't imagine living off a regular state salary.

¶5. (SBU) Getting a job with Panataxi is not easy. Several cabbies explained that starting out as a janitor, mechanic or dispatcher was a good way to break into the business, while others simply sighed and parroted the most common phrase in Cuba: "No es facil" (it's not easy). Only one driver stated outright that Panataxi applicants commonly paid bribes to get their job.

Meter Antics

¶6. (SBU) While 70 CUCs per month is a coveted income by Cuban standards, a head of household in Havana needs closer to 200 CUCs a month to live free of anxiety. Consequently, the state's roving, unsupervised cabbies are well situated to make up the difference between what they earn and what they need. The GOC, unpleased with rampant theft among taxi drivers, quickly learned to track proceeds by linking taxi meters to the odometer. As one cabbie put it, "If you went back to the office with a twenty kilometer trip that cost one CUC, then you had a problem."

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¶7. (SBU) Starting approximately four years ago, the GOC attempted to further stem the leak of cash by installing sensors in the back seats that automatically turn on the meters when clients sit down. Savvy cabbies began seating clients in the front, until the GOC responded by wiring both front and back seats. According to one cabbie, "even a little baby on that seat starts the meter running."

¶8. (SBU) Some cabbies trick their meters by turning off the ignition and coasting down the hills (though this practice leads to a rough ride and annoys the passengers). Another cabbie politely asked P/E Officer's permission to place a padded board across the front seat to avoid setting off the meter. Yet another established a cheap fare before departing, then set his meter to charge only the "just waiting" rate -- much cheaper than the usual .50 CUC per kilometer. In response to the meter's sluggish tick he joked, "Oh, I guess it's just too hot for the meter today!"

¶9. (SBU) With some difficulty, drivers can get under the seat and either manually disconnect the sensor or reduce its sensitivity. (The operation is easier to perform on Russian Ladas than the newer Peugeot's, which come fully wired with the latest sensor technology.) In one case of "sensor manipulation," a tourist agreed to sit uncomfortably with his feet up and head thrown back in order to pay only one CUC for a seven-CUC ride.

¶10. (SBU) Some cabbies are unsatisfied by these approaches, and instead pay 200 CUCs per month to have their meters modified to switch off at the push of a button. Ironically, Panataxi's meter repairmen are the same ones who take payment to modify the meters. One cabbie said the modification was expensive, but well worth the price.

¶11. (SBU) Before turning off the meter, polite cabbies feel out their clients first with a standard question: "So, how much does it usually cost to take you over there?" They then offer a lower rate, and if accepted, turn off the meter. Foreigners are less likely to be solicited than Cubans, and the question is not even raised with anyone appearing uptight, "revolutionary," or otherwise prone to tattling. Cabbies describe their sporadic earnings with a Cuban refrain: "Entre col y col, lechuga" (between each cabbage, a head of lettuce).

Fares Trickle Down

¶12. (SBU) In the game of "Measure, Counter Measure," the GOC attempts to reel in thieving cabbies. Taxi inspectors flag down cabs unexpectedly and check to see if the fares collected are commensurate with the time on shift (in response, most cabbies pull their meter scams towards the end of their shifts). Inspectors also check for tampering of sensors and meters. Finally, plain-clothed inspectors sometimes masquerade as clients in an attempt to entrap a thieving cabbie. One cabbie said he "lived in fear" that he would be caught by an inspector, but that he had no choice but to take the risk.

¶13. (SBU) As it turns out, inspectors themselves are not above accepting bribes. As one cabbie explained it, "We have needs ... and so do the inspectors." Mechanics working for the Panataxi fleet also earn a cut in the profits; if a cabbie fails to pay a little extra on the side, his broken down taxi could sit on the blocks for weeks. Finally, police officers enthusiastically pull over state taxis for minor or invented infractions, secure in the knowledge that a cabbie (unlike other Cubans) can easily come up with five CUCs for a payoff.

The Righteous Cabbie

¶14. (SBU) Despite the constant drive to outwit the state, taxi fleets harbor a few "revolutionary" taxi drivers as well. For example, P/E Officer asked one cabbie why the GOC prohibited Cubans from renting rooms in luxury hotels. The cabbie abruptly braked and delivered this terse send-off: "The state gave me everything. The state gave me this car. Don't YOU talk to me about the Revolution."

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¶15. (SBU) Revolutionary sentiment does not always preclude theft. According to the Cuban tenet of "doble moral" (double morality), there is no contradiction between loving the Revolution and ripping it off to survive. One taxi driver, an ardent "Fidelista" (Fidel-lover), readily turned off his meter, but then scolded P/E Officer for America's long history of racism, war-mongering and oppression.

¶16. (SBU) Of the several dozen cabbies interviewed, only one said he wouldn't tamper with his sensors because this was "stealing from the state." Nor did he pay for his job, but rather bombarded Panataxi with paperwork and personal visits until he finally entered as a mechanic. His brand of work ethic (appearing, as it did, free of revolutionary sentiment) is rarely witnessed in modern Cuba.

¶17. (SBU) Less laudatory examples circulate at the other end of the spectrum. For example, one cabbie picked up P/E officer, turned off his meter without asking, informed the dispatcher he was stuck "changing a tire," then drove recklessly to save time. He subsequently short changed his passenger, thereby managing to rip off all involved parties in one go.

Comment

¶18. (SBU) Despite their reliance on stealing, most Cuban cabbies are also polite conversationalists, responsible drivers, and genuinely hard workers. Passengers allow them to turn off their meters in recognition that life is hard in Cuba, and it is preferable to put money in the hands of an individual than an unresponsive state apparatus. Upon boarding a cab, P/E Officer now invites cabbies to immediately turn off the meter. The response is universal: "Thank You, My Dear."

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